

Farmers Home Administration Washington D.C. 20250

March 27, 1984

SUBJECT: Calculating Normal Year Yields

TO: All County Supervisors, District Directors,

and State Directors

Questions have been raised concerning the interpretation of the language contained in \$1945.163 (a) (1) (iv) of FmHA Instruction 1945-D, as set out on page 22-revision 2. This AN provides needed clarification.

The instruction says that when one source of records is not available for the full 5 years preceding the disaster year, combinations of record sources in subparagraphs (i), (ii) and (iii) of §1945.163 (a) (1) will be used in the priority order shown.

Therefore, we are to use the combination of records available for each separate year for each separate commodity in the order of priority as prescribed. (The instruction DOES NOT require that a single record source for a single commodity be available for the full five years.)

The attached example illustrates this point.

CHARLES W. SHUMAN Administrator

Sent by electronic mail on March 30, 1984 at 2:28 p.m. by DASD(IMPS). Please distribute promptly to all County Supervisors and District Directors.

EXPIRATION DATE: September 30, 1984 FILING INSTRUCTIONS:

Preceding FmHA Instruction 1945-D

996(1945)

EXAMPLE:

A farmer who suffered from the 1983 drought, grew only corn and soybeans. The farmer dropped calendar year 1979 to determine the normal year's yields, since 1979 had the lowest yields of any year in the 1978 through 1982 period.

We first look at the farmer's own records for corn yields, and determine that the farmer has accurate and reliable records for 1978 and 1979, but not for 1980, 1981 or 1982. We next look at the Agricultural Stabilization and Conservation Service (ASCS) records for ASCS established yields for corn for that farm(s) for the years 1980, 1981 and 1982. The normal year's yields are then calculated by averaging the farmer's record for the 1978 corn yield and the ASCS established corn yield records for calendar years 1980, 1981 and 1982.

We then determine that the farmer has not kept accurate and reliable records on soybean yields for any of the 5 years (1978-1982). We further determine that ASCS has no record of proven or established yields for soybeans for any of those 5 years. However, the county average yield information is available for soybeans for 1978 through 1982. Therefore, we calculate the normal year's yield by averaging the county averages for the years 1978, 1980, 1981 and 1982.